STATE OF MISSOURI
IMFORMATION TECHNOLOGY ADVISORY BOARD
MEETING MINUTES
April 25, 2001

ATTENDEES:

Ron Welschmeyer, Chair Person	Gerry Wethington	Bill Perkins
Sheri Morice	Mike Wankum	Gina Hodge
Jill Hansen	Rex Peterson	Jim Schutt
Jeff Falter	Dennis Bax	Gary Lyndaker
Mary Willingham	Cindy Renick	Rich Beckwith
Tim Dwyer	Cliff Gronauer	Russell Helm
Don Lloyd	Lew Davison	Chris Wilkerson
Paul Wright	Jearl Reagan I	Jim Roggero
Tom Robbins	Tom Stokes	Dan Steidley
Jan Grecian	Gail Wekenborg	Debbie Wells
Tony Wening	Karen Boeger	Dena Brand
Larry Bonnot	Bob Meinhardt	Jim Weber
Vic Buechter	Ritchie Jenkins	Larry Seneker
Carl Medley II	Steve Adams	

Ron Welschmeyer opened the meeting at 8:30 a.m.

PRESENTATION

Missouri IT Recognition Award was presented to the Web Team that provided a solution for the Department of Revenue. This team consisted of members from several agencies.

Presentation on Record Retention - Presented by Pam Bax and Craig Kelso, Missouri Secretary of State, Records Management Division

The following information was provided to the attendees. The Secretary of State's Information Technology Disposition Schedule, a general schedule guideline for information technology dispositions, a contact list for the Records Management Division within the Secretary of State office. The presentation centered focused on the resources used to compile this information and why the need for schedules. An action item for the members was to review this information and be prepared to discuss at the July ITAB meeting. The goal of the Records Management Division is to have ITAB endorse the use of disposition schedules within the Information Technology community.

ACTION ITEMS

1.   Approval of the February 28, 2001, Information Technology Advisory Board Meeting Minutes

      Moved and approved as written.

GENERAL BUSINESS

1.   Approval of Computer Information Technology Manager Classifications

Ron Welschmeyer explained the background for these new manager classifications. The first phase was to consolidate the Computer Information Technology classes and create dual career paths. The second phase was to consolidate manager classes. Please refer to the letter distributed prior to the meeting for additional details. Discussion around the implementation of these new classes was held. A motion to submit these new Manager class specifications and revisions to the Computer Information Technology Specialist specifications to the Personnel

Advisory Board was approved. The next step is for Office of Administration to submit these class specifications to the Personnel Advisory Board with an effective date of June 1, 2001.

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2.   Approval of MOTEC Rate for FY 2002

Jill Hansen and Tom Robbins made a presentation on the FY01 Report. Items that were presented were FY01 goals, FY01 usage, evaluation of facilities, number of classes scheduled, agency savings, FY02 goals, and the MOTEC rates projected for FY02. Please refer to handout from the meeting for additional details. A motion to adopt the projected rates for FY02 was approved.

3.   Approval of ITAB Structure/Charter

Bill Perkins explained why we developed the structure and charter. He submitted to the ITAB members the committee's recommendation of approving this structure and charter but deferring the implementation until the beginning of fiscal year (FY 02). Discussion concerning this structure/charter was held. A motion was submitted to adopt this document with modifications to the objectives. The modifications would be to phrase the objectives in a more positive light. The modifications and structure/charter were approved.

4.   CIO Update (Gerry Wethington)

   ➢   OIT Budget

   Did not bring but can tell you that will be a larger budget due to taking on another FTE, won't be replacing some equipment, and decreasing travel expenses.

   ➢   E-Government and Total Cost of Ownership

   House Bill 5 is going to conference committee tonight or the next night. Original cost is 20 million with 10 million as general revenue. The house approved the total project reduced to 6 million with 2 million as general revenue. Originally said that about 4 or 4.5 million needed to support E-Government. Senate approved total of 10.9 million with about 7.5 million of general revenue. So, we should end up somewhere in the middle of the two numbers. Some of the major questions were cost of ownership and return on investment program. Most talked about issue was how the estimations were made for savings and total cost. So, Gerry has committed to go out and look at a cost of ownership and return on investment program that we could collectively adopt as a state. They have looked at several states. A sample from the State of Iowa was distributed. OIT is in the process of building a draft program to be responsive to both the House and the Senate. One commitment is that by the time they get to appropriation we will have run all the agencies through this program to truly identify what will be the return on investment. Up front it won't take much time to pull these thing together. Must do this return on investment program because probably won't fund future projects since they have bad feelings about past IT projects that seemed to fail. We must work collectively to consistently cost projects. There are some senators that support what we are doing. We have more now because we have been educating them and need to continue that collectively. Better if we impose this on ourselves rather being imposed on by the outside.

   ➢   Computer Associate Contract

   This is purely associated with the application development environment. We have a contract that is going to expire but will probably end up with exurbanite fees if we don't negotiate this contract. Need anyone interested in this to come to the table and express your views. We need to do this as a single voice. From purchasing perspectives, we need to know by the end of May. We are going to have to make some tough decisions about moving to a comprehensive, adaptive enterprise environment. Having islands of technology is not going to be acceptable in the longer view.

   ➢   OIT Website

   Seems outdated and try to refresh the content associated with it. What are the standards that you work with is a common question asked by people? Trying to go through and figure out what

needs to be maintained. Asks that if there are any needs that should be addressed through the website or any expectations, email him or Debbie Wells.

> PAQ Process (Presentation given by Karen Boeger)

For some time when we were bidding major projects we had major problems. One of the first problems in projects is that we required that everything had to be a fixed value at the beginning. Another problem, with that approach we were giving the bidders ill-defined requirements. They perceived high risks and gave high cost quotes. Roles and responsibilities weren't clearly defined. The fixed price did not encompass any changes that occur with these projects. If we decided we needed a legitimate change we didn't have an effective mechanism to be sure we weren't being over charged. Adversarial relationships were created with the vendor community. A better track is the PAQ. In a simple definition it is a contracting mechanism that allows the state's project manager to work with the contractor to systematically identify, price and complete progressive task work based upon predefined hourly contract rates. PAQ's have to start with a request for proposal. It is pretty clear that you have some things that are very definable and some things like implementation services etc. that are difficult to identify upfront. Now we ask the vendors what positions need to be used in the project and set hourly rates for those positions so that when we get to a second phase we can deal with them. The PAQ has a fixed price based on these hourly rates, and that offers an incentive for them to finish sooner than expected. The state agency and contractor come together and write the PAQ and changes are made by an addendum so that everyone knows what is happening. The contractor cannot charge you for preparing a PAQ. The state project manager, who is authoring it, needs to be sure that a copy stays with your state agency, one goes to the contractor, and one goes to purchasing.
You can require payment holdbacks, liquidated damages, and performance bonds. The last two need to be approved by the purchasing department. PAQs are required after 100 hours.
Lowest and best bid is required. There are three contractors and we use the primary unless the primary can't provide service in the requested time frame or documented unsatisfactory performance. Conflict of interest is another reason for bypassing the primary and going to secondary. If you want to request three draft PAQs and specify evaluation criteria that will be used to judge the PAQs and make a selection. This may be the best way to go. She walked through the steps of a PAQ process. She then explained things to watch out for using the PAQ. One is that it does not exceed the terms of the contract. Any provision in the contract must be held within the PAQ. Keep in the files a rationale for why you choose a vendor if you go with having PAQs submitted by all three vendors. The contractor can't change the price unless the scope of work is changed which requires a PAQ addendum. Be sure that the proposed hours are reasonable. Turn in as much documentation as possible so that it is on file in the purchasing office and they can help resolve any issues as well as note which contractors should not receive future business. PAQs need to be project oriented. This process has been constructed and is evolving. If things are working well for you, let us know what you may be doing differently and this will be considered for future additions to the PAQ process. PAQ shouldn't be for too long a timeframe. It should include status reports on a weekly basis. Payment can be done on a monthly basis or on milestones. Evaluation criteria can be familiarity with the agency, a program from another state, etc.

> Legislative update

Discussion on whether the OIT should provide a legislative update. It was decided that it could be placed on ITAB agenda when appropriate.

5.   Architecture (Bob Meinhardt)

One significant thing is that we are doing the "to be" architecture rather than the "as is" architecture. The "as is" will eventually be documented. We are interested in how to do what we do to today only in the legacy applications. The other significant thing is how we develop the focus by the government. Focusing on the E-government architecture for now. Covers the biggest part of architecture. A couple committees are key to the process. Executive administrative and architecture review committees (subset of ITAB) are two of the committees. All of this is

outlined in the manual. The changes will be managed on the web once it is updated. The other thing is that we have scheduled for May 2 and 3 the knowledge management domain, 2 day facilitated meeting with IBM to lead us through the domain and conceptual architecture process. We will come out of these domains with products or standards. After the initial knowledge management domain, IBM will bow out and NSR will take over the facilitation of the rest of the domains. Architecture deals with what is out there now and is part of the consideration. He is hoping that the time spent with the domains is not very long and maybe do them all in a month. For the committees it needs to include small and large agency representatives. Four members are needed to be on the ITAB subcommittee to review the architecture work. If the architecture doesn't meet the agency needs or the agency can't comply with it please bring it up so that we can be sure it does. By next Friday, members need to be decided for the subcommittee. Send an email to Ron and CC: Sheri to volunteer for that committee.

6.   Project Management Update (Tom Stokes)

People are asking if there is any training coming up. Switched all the training over to MOTEC. They send out announcements and have information on their webpage. Use the training coordinators within your agencies to enroll your people in the training offered. Discussion was held about how the time employees are away from the office attending project management classes and the difficulty it imposes on the agency. Decided to switch to one week on – two weeks off instead of one week on – one week off for timing in the third session. Project oversight, metrics and measurements, and project management certificates are in process. It is significant that we went from 0 project managers to 73 managers. Project oversight was discussed as how to include it in a project. One answer may be to put item in project that is oversight and roll it into the total. The oversight is about 3 or 4 percent. OIT is trying to get the oversight money in their office for use for projects in the agencies.

7.   Prime Vendor Update (Carl Medley)

Service is getting better. Trying to do a renegotiation of a licensing package for Lotus Notes. Trying to move more to something like what Microsoft provides us. We are trying to project how many seats we would install over time. If you are interested in Notes, give us an idea of how many seats you will have over the next few fiscal years.

Worldwide orders should be done before May 11, 2001 in order to leave enough time to process the orders.

8.   Internet/MOREnet Update (Tony Wening)

Deploying wireless. UM – K.C. doesn't have a regular phone on north campus and everything is wired to the main campus. Looking at distance learning, supporting about 88 hours and seems to be growing exponentially. Do you have a bid you are doing for backbone? For filtering, using the state's program seems to be a better cost-wise device than every district getting their own LAN filtering system.

9.   Statewide Purchasing Update (Karen Boeger)

Karen handed out the listing of projects, statewide contracting listing, the statewide IT consulting performance requirements and a usage to date spreadsheet. We may want to reduce the number of categories because some are receiving zero usage. Another statewide bid is a rebid on the ATM networking products and the data network consulting. Two bids are going to be worked on, one for the products and one for services. They set up a temporary contract for IT consulting in Randolph County that lasts until June 30. Fiscal people should know that a renewal requires a request for a renewal of a contract that is expiring.

10.   Security Committee Update (Rex Peterson)

None

11.   State Data Center Steering Committee Update (Gail Wekenborg)

Internet responsibilities are being transferred to the Data Center.   Call the Data Center help desk instead of Christie. Planning meeting on May 24th for the steering committee. If you would like to be involved in the meeting, you are welcome. Discussed money availability for projects remaining this year. The response time on the Mainframe is going to slow down until some issues are cleared up.

12.   HIPAA Update (Gary Lyndaker)

Hippa continues to move on. The privacy standard has been pushed back. The security standards have not been published yet. Still don't know what is going on a state wide level. There has been no ruling from Attorney General as of yet. Need a state level decision concerning the relationship of agencies and healthcare provides. The agencies need more freedom in the standard sharing of data. Gerry is going to the cabinet level to get meetings set up. Every service that is Healthcare related has to conform.

13.   Lotus Notes Update (Mary Willingham)

Continuing to work with the users to see how well things are working. Trying to have dialogue as to what progress we are making. Let her know if you are having any issues with it.

14.   Performance Measures Recommendation (Bill Perkins)

Looking at moving this under project management. The team hasn't made as much progress as they wanted.

AGENCY REPORT OF PLANNED/ACTIVE BIDS

None

OPEN DISCUSSION

Chris Wilkerson: Personnel issue, agency wants to do some aggressive things with GIS technolies. The positions available don't seem to fit. How do we address the possibilities of hiring GIS technoligists? May want a GIS power group to work on these position classifications. IT personnel should not write the professional job descriptions for this. We need to be careful about letting the crosswalk occur. Chris will contact Conservation and MODOT about how they are using GIS classifications.

Jearl Reagan I: Asked that ITAB make a recommendation to the agencies on establishing information systems as a cabinet level position within that organization. If ITAB could make it a recommendation, possibly we can raise it to a proper level to be effective. Before making a recommendation, who should we make a recommendation to and look into what other states are doing. Based on information, we can decide what we can do. Jearl will find out more information.

Gary Lyndecker: He thanked everyone for responding to the questionnaire. Encourage others to use this method to find out information.

Mary Willingham: She is facilitating a SAM II data warehouse user group.

Gerry Wethington: Typically the OIT is charged with a strategic planning meeting. This will be an open meeting next fiscal year. It will be a day and a half facilitated off site meeting.

REVIEW OF ACTION ITEMS

NEXT MEETING

1.   The next ITAB Meeting is scheduled for **Wednesday, May 30, 2001**, at 8:30 a.m. at the Interpretive Center of the Kirkpatrick State Information Center.

RW/sm

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Representatives of the news media may obtain copies of this notice by contacting:

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